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MEETING THE MANPOWER PROBLEMS IN WARTIME INDUSTRY
16 April 1946.

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GENERAL ARMSTRONG:

Gentlemen, I want to reiterate what I have said so often--that in the old Army Industrial College, if we examine the relative importance of the various subjects, we find that manpower, in spite of its importance as we see it today, was not considered as a subject which required as much thought as raw materials and the inanimate things of industrial mobilization. On the contrary, we intend, as I have told you often, to emphasize manpower as a basic element in a military potential and a basic problem to be solved by the thinking and the training given in the Industrial College.

Today we are going to hear a graduate of the University of Virginia, who, I know you will be interested to learn, was an assistant for a number of years to Dr. Freeman, whom all of you heard at the National War College a few weeks ago.

Dr. Corson is at present the Director of Research on the Washington Post, here in town. He is the author of a book "Manpower for Victory", published in 1943. He is a specialist in manpower, whom the Industrial College hopes to have as an adviser on this subject frequently in the years to come. Gentlemen, it is a privilege to present to you Dr. John J. Corson, formerly of the Richmond News Leader, now of the Washington Post.

DR. CORSON:

General Armstrong and gentlemen, I am happy to come here and to try to think back over the experiences we had in the mobilization of manpower for the waging of war. I have been a long time away from this problem of manpower. Hence, I am inclined to look at this stenographer and think that when I see the transcript, he is making I can learn what I now think about this problem of manpower mobilization. I have not had occasion to think about it recently enough to be sure that I know. I am grateful to you for forcing me to go back and go over and reconsider the experiences that I had in the early part of the war with the problems of manpower. Six points stand out, in my mind, when I review those experiences.

First, ten million men and women were added to the labor force of this country in a very short time. Second, about twenty million men and women were moved from one type of job to another job; many from one place to another. Third, a great many men and women--I do not believe anyone knows how many--changed their occupations. We converted them, if you will, in many instances from white collar workers to men and women who worked with their hands. Fourth, the productivity per worker was increased, on the average, and that despite the fact that we were adding a lot of workers--women and aged people, physically handicapped people and young, inexperienced workers--whose productivity was relatively low.

Then fifth, while we were doubling the total production of goods in this country and maintaining the supply of civilian goods at a level

equivalent to that before the war, we built up an army of more than eleven million people. We increased the volume of manufactured goods and agricultural products, increased them substantially while we took eleven to twelve million people out of our civilian labor force.

And all this, mark you was done with a minimum of control over the freedom of the individual employer or the individual worker.

Let us look at the figures that illustrate more precisely the size of this manpower mobilization job.

In April 1940, there were about 53.8 million men and women in the labor force; that is either employed or unemployed. There were about 7.8 million unemployed, 45.5 million people employed, and about half a million people in the Armed Forces. About 45 million were employed in industry and about 8 million in agriculture.

Now, contrast the total of 53.8 million in the labor force in April 1940 with the labor force in September 1944, when we had about reached the peak of our mobilization. By that time the labor force had grown to 65 million--from 54 to 65 million. The Armed Forces had increased from about half a million to about 11.8 million. Although by September 1944 we were producing a vastly increased volume of goods, we were doing it with about the same volume of manpower; and from that volume of manpower we had taken the most able-bodied and the most skilled manpower for the Armed Forces.

Unemployment in 1940, in the early part of that year, was close to 8 million. In the latter part of 1944 it was down to 800,000. Employment had increased from 45 million to 52 million.

Now this, in rough terms, indicates the size of the mobilization. But let us analyze these figures from another viewpoint to broaden our general perspective. On the one hand we added (a) to the Armed Forces something over 11 million; (b) to the munitions industry--and when I use the term "munitions industry" I include all industries that might come within that--aircraft, shipbuilding, and ordnance as well--about 5 million workers; (c) to the federal war agencies--the War Department, the Navy Department, the War Production Board, et cetera--about a million and a half people; (d) to the transportation and public utility industries about a million; and (e) to others about half a million.

All in all, if you add these up, you find that approximately 18 million people were added to either the Armed Forces or to the war industries.

Where did these come from? Again, this can be indicated roughly. They came, first of all, from the 10 million people who had not customarily worked added to the labor force. We had no place for that worker in the past. Remember, my job in the years before the war was running the Federal Old Age Insurance Program. During the years from 1936, when the Social Security Act was passed, until 1941, when I went into the United States Employment Service, I served as Director of the Bureau of Old Age and

Survivors Insurance. Throughout this period people in this country thought it was important to find ways of retiring people, because there were not enough jobs. Older people were retired to make room for younger people. That was a dominant part of our economic philosophy in those years. But we soon lost that idea. We tried to find ways of bringing into the labor force all of these individuals for whom we had no places in the prewar years. About 10 million people were added.

From the unemployed about six million workers went into war industry. Another one million from the construction industry. A few hundred thousand came from mining, and later we wished these workers had remained in the mines. From trade and service jobs--salesmen, domestic servants, and the like--we took enough to make up the equivalent of what we added to the Army and to the war industries.

In 1940 there were eight million people looking for jobs; by the latter part of 1942, employers were wondering where under the sun they would find men enough to do their jobs; and 1944 the employer was wondering how under the sun he was going to get more work out of the same people, because there were not any more people to be added.

The full magnitude of this job is not clear until we look at certain key industries. Take shipbuilding. In 1939, 160,000 people were employed in shipbuilding; by 1944 close to two million people were employed in shipbuilding. Before 1939, there had been less than 150,000 employed in shipbuilding. In 1933 we produced the magnificent total of 11,000 tons of shipping and employed a proportionate number of people in the industry.

The merchant marine in 1942 only had about 50,000 men. By 1944 we had quadrupled that number. Then we were not only supplying a vastly expanded merchant marine of our own, but were providing manpower for ships we had gotten from some allied countries, Norway, for example.

The aircraft industry employed in 1939 about 75,000 people; by 1944, two million. In 1939 we had in the ordnance industry about 17,000 people; 1944, about 1,800,000.

There were other important industries, even though their aggregate requirements were smaller. They were the lumber, coal mining, steel and railroad industries. Track labor for railroads was a particularly trying manpower problem in the years 1941 and 1942. Together these industries illustrate the character of the problem of mobilizing manpower.

It was not a problem; it was a whole series of problems. When I first became Director of the United States Employment Service in the latter part of 1941, one of our particular problems was to reduce unemployment in New York City. Mayor LaGuardia appointed a special committee, to find some way to cut down unemployment. The Federal Government helped. New York City was not the only city in that plight; there were others. And simultaneously there were other cities where there was a shortage of labor. Norfolk, Virginia, and Baltimore, Maryland, were examples. Each city offered a separate problem.

But so also did many industries. There were a number of industries in those early years in which we had a surplus of manpower. There were other industries at the same time, particularly aircraft, shipbuilding and ordnance in which there was a definite shortage.

Then finally there was a different problem each month. As the manpower requirements for the Army were stepped up the task of mobilizing civilian manpower became more difficult. For example, the aircraft industry sent recruiting agents through the Middle West and literally drained the farms and the small towns dry of young people between eighteen and twenty-five in the early part of the war. Then the draft came along and took those same people, after they had had about a year's training and were getting to be productive workers, out of those plants. Looking back that seems shortsighted. But we did not know how long the war was going to last. We did not really wake up, in those early years, to the fact that this war would require every man and woman to play some part, the part which he was best qualified to play. This was what the mobilization of manpower really meant.

Sources of manpower -- Where did the manpower come from to supply the needs of these industries? First it came from the pool of unemployed. In 1939, when the defense program first started, the unemployed found some opportunity to get jobs. But as late as the middle of 1940 we still had 8 million unemployed. Then the first defense program and the war program quickened, and unemployment disappeared.

But in that group of unemployed there were a number of individual groups particularly difficult to employ. Some employers, in those days, were not in the habit of employing Negroes in important jobs. Employers picked, first, able-bodied white males. The white male is the dominant individual in this country. He has always come first. He did this time.

Then, secondly, employers chose white females, although they were slow to take them. I can remember well talking with the personnel director of the Boeing aircraft plant at Seattle, in the early spring of 1942. I asked him what they had done about employing women. "Oh", he said, "you cannot employ women in an aircraft plant. This is heavy work. You cannot use them". Six months later they were using a lot of women.

A second major group added to the labor forces was women. In 1940 there were about 13 million women employed; at the peak of the war mobilization there were 18.6 women employed. It took a good many object lessons and a good deal of effort to get those women into jobs. There was much reluctance on the part of employers to take women in many occupations where they had not been accustomed to work. There was also a good deal of reluctance on the part of women to take jobs. They had to be induced to take jobs.

I remember they put on in the early part of the war, in early 1942, quite a campaign in Baltimore in order to get women to take jobs in the

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shipyards. Of course, many women, inflamed by patriotic fervor, were willing to take jobs; but when they thought of taking jobs, they thought of jobs in an office, where they would have nice, comfortable, clean quarters--answering the telephone or something like that. When it came to running a riveting machine in a shipyard, that was something different. But those were the jobs that had to be filled. So it took a good deal of effort to get women into the labor force where they were needed and to train them for jobs for which they had been wholly unaccustomed.

Then many students took jobs. The National Youth Administration did an invaluable job, in the first part of the war, recruiting young people between the ages of sixteen and twenty-five. The N.Y.A. would transport them into centers, in places like Seattle and Norfolk, where they would house them, continue to train them until employers needed them for many of these jobs. Boeing's aircraft plant, for example, had an invaluable supply of manpower right at its back door, being trained for its needs.

How many people in this room can remember Jeanette Rankin? You really should; she was quite unique and distinguished. She was the one member of congress who voted against the declaration of both wars. She called me one morning when I was the Director of the United States Employment Service and--if you will permit me--"gave me hell". She was greatly incensed that we were taking the young people off the farms in Montana and putting them down in the aircraft plants and shipyards on the west coast. She did not want these young people to be disturbed. They were disturbed in the next year or two; they were taken out of Montana by the hundreds, largely by the N.Y.A.

Older persons too; we increased the number of older persons employed. Forgive me if I use forty-five as the limit defining "old age"; I do so because the only data I have available deals with that age group. The number of people over forty-five in the labor force was increased by 14 or 15 million during the war. That illustrated that these people could do these jobs and do them effectively when they were given the opportunity.

During the latter part of the war foreign labor was imported to expand the supply of labor. In 1942 we were desperately in need of workers for agriculture and for railroad track labor. A suggestion was made that Mexican workers and workers from the Bahaman Islands be imported. The law required that the Director of the United States Employment Service certify to the Immigration Division of the Department of Justice that there was not sufficient domestic labor before the immigration of foreign workers would be permitted into this country. I was in the unhappy position of being the Director of the United States Employment Service at that particular time. I remember particularly well another telephone call I received from the now Secretary of Agriculture, then Congressman from New Mexico, who called me up to raise the very devil because I would not certify that Mexican workers could be imported into New Mexico to work on the cotton farms. Cotton was being used for parachute cloth. He knew that and he made much of that fact. I did not feel that I could certify.

There were workers, but they were not willing to work for fifteen cents an hour on the cotton farms in New Mexico. Eventually those wages were raised. Then available labor was exhausted. Then I could certify that there was not sufficient domestic labor.

In the meantime the Army was also very anxious that the War Production Board insure that the maximum of workers get to the copper mines. Organized labor was loath to see foreign workers go into those mines where the workers were organized. Consequently there was considerable opposition to bringing foreign workers into the copper mines. Eventually, however, that was done, if I recall correctly.

In summary, the sources from which additional manpower was obtained were--the unemployed, women, students, older persons and foreign labor. Later, prisoners of war were used.

At the same time we increased our available manpower in two other ways. First, by increasing the hours of work--the average work week was about 38 hours in 1938; by the end of 1944 the average weekly hours of work was up to 45.6. In some industries it was up to 46 and 47 hours a week.

Second, manpower was increased by utilizing it better. We did not do that well throughout the war.

We have a lot to learn on how to utilize manpower. I remember going into the Kaiser shipyards on the west coast early in 1942 and seeing boats that were literally covered with men and women until they looked like a swarm of flies over that boat. I wondered how he could produce ships with as many people seemingly in so many people's way. And yet that was the way ships were produced in the early part of the war.

We still had the idea that manpower was free and easy. Why shouldn't we? For ten years we had more than we could use. We had ten million available workers, unemployed men and women. As a consequence even as late as 1942 we still could not realize that the only way to get a job done was not just to put in as many men and women as we could. So it was not surprising that producers felt that the thing to do was just to pour more people in and produce an increased volume that way.

There came a time, however, when there were no more people to pour in. By the latter part of 1942 we had to find ways of utilizing better the manpower we had. We had not gotten accustomed to that; it was difficult. In our system of private enterprise we found great difficulty in doing that.

Some of the war plants that we relied on to produce essential components in 1942 and 1943 were amazingly inefficient and chaotic. Those plants had been thrown together in a great hurry. In many cases small machine shops had been expanded to employ 500 or 1,000 instead of 25 workers. Plants cannot be organized and operated efficiently that way.

When a representative of the Employment Service inquired of such plants what types of workers they had and what were needed the employers could give no reliable response. By early 1942 we could not supply skilled workers; skilled tool makers, mechanics and die makers just were not available. Employers had to use people with minimum skill, graduates of the training schools, and others. As a consequence representatives of the Employment Service tried to analyze the labor requirements of these plants, to schedule the number and type of workers needed over the next sixty days, or six months. But these employers could not tell; they did not even have a record of the people on the staff. Such conditions straightened themselves out in time. Nobody wanted to do the job that way. But lack of time to organize well created such conditions and caused these employers to use very badly the labor they had.

Later on, in April or May 1943 there was created the Bureau of Manpower Utilization in the War Manpower Commission. It brought together industrial relations people and industrial engineers from industries all over the country, and made them available to plants that needed aid in getting more production with fewer men.

That part of the job of mobilizing manpower we did least well in this war. I had occasion later, when I served with UNRRA, to see what was done in England. They did a better job in aiding employers in utilizing what manpower they had to the greatest advantage.

Interestingly enough, the type of men that they used as aids for employers was the shop foreman that had worked his way up in the trade union. Here was a guy who knew the workings of the shop, how to get men to work together, and how to lay out work and do it in simple fashion. They pulled them out of the shop and used them as consultants and sent them into plants that were not doing well. Apparently they succeeded pretty well.

Summarize the sources from which we got additional manpower--the unemployed, Negroes, women, students, older groups, foreign workers, and by increasing the hours of work and utilizing labor better.

Ways and means of mobilizing -- But how was this all brought about? How did we bring these people into the labor force? How did we move workers from civilian jobs to war jobs where they were needed?

Many people were reluctant to leave civilian jobs in which they had been for ten or fifteen years, in which they had planned to spend their lives, and in which they had a certain measure of security. They knew where they stood. They were particularly reluctant to leave when it meant going to another city, to a crowded war center. How were workers moved? The answer is that high wages moved workers from one job to another, brought unemployed workers into jobs, students from the schools, and women who had not been accustomed to work into the labor force. It was not the best way to do it, but that is the way we did it. We mobilized workers particularly during the years of 1940 up to early 1942 by paying higher wages.

Henry Kaiser staffed his shipyards that way before any other employer got a chance. He established wage rates in the shipbuilding industry that were just beyond what anyone had been accustomed to. I remember particularly one aluminum plant somewhere near one of Kaiser's shipyards in Seattle. That aluminum plant had a wage rate fixed of about 75 cents an hour for common labor. They just could not keep it staffed. It was impossible when a person could get \$1.25 an hour in a shipyard. They could not keep that aluminum plant staffed, particularly when the wage rates were fixed by a union contract in the early part of the war and later fixed by wage stabilization arrangements. So they could not change the wage rates, and Kaiser's wage rates were sufficiently more to induce all the men to quit the job just as rapidly as they could and get out of the aluminum plant.

The United States Employment Service scoured the byways of the Far West to bring in workers who had had no experience into this plant, but who had good, healthy bodies. They took them into the aluminum plant. They would be there for thirty days or sixty days and they would find out about this shipyard, and away they would go. They would replace them over and over. The payment of higher wages was the basic means we used in mobilizing manpower, but it was not the best.

We also built up our labor by recruitment machinery. The United States Employment Service was the right arm, if you will, of the labor recruitment machinery that we had. It was a very weak right arm when the war started as it was primarily a place where one would go for domestic servants and common labor. It was not very well equipped, either, in the prestige which it held in the eyes of employers or in its machinery to do this job.

In December 1941, the President sent a telegram to the governor of each state asking him to turn the state employment services, which were what made up the United States Employment Service, over to the Federal Government, to be operated as a federal employment service. It happened that I had been in the job of Director of the United States Employment Service since 1 December 1941. He sent that telegram out on 19 December and it became effective 1 January 1942.

On 1 January we had to transport something like thirty thousand individuals, all of their equipment, and all of their offices from the state payrolls and operate them as a federal employment service. I will say that those days were hectic days.

It was not a very good employment service that we got when we took over the job. I remember the Louisiana state employment service was the most atrociously mismanaged organization I ever saw. There was not a fellow down on the payroll that was there with the thought--this is an exaggeration, of course, but not a drastic one--not one of them was there to work for his salary. He either usually belonged to the political organization that was in control and so he was on the payroll. Whether he came into the office in the morning and stayed during the day--that was something again. Maybe he would and maybe he would not, depending on whether he had anything better to do that day.

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That was one extreme. There were in other states employment services that were of the first grade, efficiently managed organizations. There was one in Connecticut, in Texas, in Indiana, in New York and quite a few others. But they ranged from one extreme to the other.

We had very early to build up this labor recruitment machinery, because employers had been accustomed to hiring their workers without bothering with the United States Employment Service. But when they had difficulty hiring them, they turned to what facilities there were available. In fact, when the War Department was about to place a contract with a particular plant, they wanted to know first what machinery they had to get the contract out and get the goods produced within a certain delivery time. One of the big factors by that time was whether they could get enough labor. So the contractor frequently would turn back to the Technical Service and say, "What are you going to do to help us get labor?" The Service would turn to the United States Employment Service and say, "What can you do to help us get labor for this particular plant?"

That was the second thing we did to help. The United States Employment Service did help. It placed a lot of people. In some industries as high as sixty percent of the workers were put into that industry by the United States Employment Service. The development of the Selective Service System helped out in this mobilization job to a very large extent not only by mobilizing the Armed Forces, but by scaring people to death; scaring them from the civilian jobs that they had held over into war jobs where they thought they would be safe. It scared quite a few people over.

There was a department over there--and this is particularly important--that had the job of mobilizing manpower for war. It did a huge job as time went on of allocating manpower between the civilian pursuits and war pursuits. There was a time when, as you may recall, the copper mines were very badly in need of labor. At the same time, strikingly enough, the Army was badly in need of copper for shells. The United States Copper Company at St. Louis had almost closed up. It was the principal producer of shells. It had almost closed up because of a lack of copper, and the copper mines were not producing enough. Where did we go to get those copper miners? Into the Army, to which they had been drafted. That does not make very good sense. That was one mistake we made. It was the type of mistake we made.

The point I always argued with Lewis Hershey was that the job of drafting men for the Army was a technical job and should be determined primarily on the skill that that individual had, and where that skill could be best utilized. Theoretically that is correct, but practically it never works. It never works, for the reason that in the mind of the average man and woman and the average parent and the average worker himself the things that count more heavily are whether this man has children to support or whether he has an aged mother to support. To the local draft board, which made up, as General Hershey used to say, the Citizen Navy--he used that term frequently--this factor of skill was of lesser importance. They came to recognize it, but it still was overbalanced by

the factor of dependency and human relations. Those were the factors that influenced them most.

One man this morning worried about the congressional action on the expansion of the draft. He was saying, "Can Congress realize our obligations abroad, the need for a continuing source of supply for the Army?" I said, "I do not doubt they can realize them, but I know they will also realize human factors". The factor that seems to affect them most is the fact that a young fellow is just graduating from high school and he wants to go to college. He has finished high school, and you pick him off and put him in the Army. It seems pretty bad. Those factors weigh in the human mind in a democracy more than any of these other things.

Well, so much for that. This total mobilization was not a smooth process. Looking back, you can well realize that it was not a smooth process. It was a succession of crises and difficulties. Perhaps that was because it was done in a hurry. Perhaps it was because we were working primarily in a democratic nation and trying to do this job of mobilization with a minimum of control.

It worked much more smoothly in England, where they had legislation giving the Government authority to take anyone they wanted and put him anywhere they wanted. That made it much easier. They had their problems, such as the one in the coal mining industry. That was a tough problem there, as it was here. But our mobilization of manpower was just one succession of crises one after the other.

One of the first difficulties encountered was the employers' hiring practices. I referred to that part earlier when I said that in connection with the hiring of, first, Negroes, and, second, women, they were still thinking of the days of the thirties, when they could pick and choose, when they could pick the very best and only the best. They continued to think in those terms long after the best had been depleted and there were no best left, when they had long since used up the best, until finally people got to realize that they had to take what was available. That was one of the difficulties in the early part of the war. In the latter part of the war we used to say that employers, when deciding whether to hire a person or not, would say, "If the body is warm, we will take it". It almost got to that.

Another problem in the early part of the war was this very nice practice of pirating. One employer would go out and scour the country to get all of the skilled workers of a certain category he could get. Then a second employer would pirate them away from him. They not only hired them away, but they would give this fellow a bonus for each one of his fellow workers that he could hire away from the first employer. That was pretty tough. It also cut down on production in those early days.

Then we had a problem of adjustments of production to the manpower reserves. That is where the War Department made quite a mistake. The War Department was letting contracts in towns in which they could not possibly get the goods produced because there was not enough manpower there. They

would let them in towns to which we could not get additional people to go. For example, take Norfolk. When we went to West Virginia recruiting, the people would say, "Where is this job?" We would say "Norfolk". They would say "Nothing doing". They had heard of Norfolk. People had gone to Norfolk and had not been able to find a place to live and had come back. We could not get people to go to those places. Yet the War Department continued, long after it was undesirable for them to do so, to throw contracts into those places, requiring additional production and requiring additional manpower that simply were not available.

Meanwhile there were other places in this country, perhaps in some respects a little less capable of producing this kind of goods, where manpower was available. Eventually we had to convert plants in these other places and use them for whatever they could be used. But it took us time to learn that. In the meantime we lost a lot of production.

Those continuing problems that we had--manpower, absenteeism, turn over--after we got them, a considerable staff, after we recruited them, we had to consider the problems like, first, turn over and then absenteeism. There was inducement by high wages, bidding by one employer against another, shopping around by employees, who were looking for higher-paid jobs from employers who did not seek them out, and just by a desire to move on when they had once started.

Absenteeism was caused in considerable part by poor management. It also was in part due to the fact that there were many in the labor force that had not been accustomed to working. They did not have good work habits. Then many of the women who came into the labor force had other demands on their time. They had to shop. They had to take care of their children. They had to carry on their household work. In consequence, absenteeism was a frequent manifestation in those days.

In conclusion, let me summarize what the Government did to mobilize manpower for war. We have seen (a) the size of the mobilization, (b) where the manpower came from, (c) how men and women were transformed from the unemployed or the nonworkers to the jobs in which they were needed. And now what part did the Government play? I have said little about the role of the Government.

I have indicated, however, that the Federal Government did provide mobilization facilities, that is, the United States Employment Service and the Selective Service System. That was perhaps the major part that the Government played in the mobilization of manpower.

But the Federal Government also provided machinery for recruiting a number of particular groups of workers. The Procurement and Assignment Service did particularly well the job of recruiting doctors for the Army and for the Navy, and spreading the doctors that were left over the country in such a way that they pretty well met the civilian needs.

Then there was the National Roster of Scientific and Professional Personnel. It listed all the scientifically trained personnel in this

country and compiled an index of all chemists, all the different varieties of engineers, physicists, et cetera. This index contained all the technically trained people who were needed badly. By the latter part of 1942 it was possible when an employer needed civil engineers, for the United States Employment Service to request six civil engineers from the Roster and to obtain a list of six or more civil engineers from which to choose.

Expanding the labor supply by training--The Government also provided facilities for training workers. These training classes were set up quickly and pragmatically. I remember visiting a class in the basement of a church, where a group of men, most of whom had been clerks and salesmen, were being trained to wrap pipes on ships with asbestos. One of the instructors, an organized labor man, told me that it had taken him three years to learn his trade, and he was not quite clear how he could train these people in the same trade in six weeks. But he was doing it. They were not doing as good a job as he, but they were doing it.

That was the type of training facilities used. In an old loft at Portland other people were trained in simple mechanical jobs in shipyards. Training went on in the public schools too, but all kinds of makeshift arrangements were used, and all sorts of trained workers used as instructors in order to train a vast quantity of people quickly in the rudiments of the skills they needed.

Then the Government also supplied training facilities for employers to use within their plants. One of the big industrial relations developments of the war was what was known as the "training-within-industry" program. Industrial personnel officers will look back on this war and regard that program as one of the real contributions to the efficiency of private enterprise in this country. Ways were devised to train supervisors and foremen how to effectively use their workers. That was a real contribution.

Government Controls--The Government also used controls to mobilize needed manpower. At the start employers invoked informal controls upon themselves. Employers, after being harassed by the pirating of workers from each other would get together and say, "Let us cut this out. Let us agree we will not steal each other's workers. We can steal from employers in other cities but we will not steal each other's workers." They worked out agreements, which did much to stabilize employment.

Subsequently local employment office managers encouraged employers, when pirating and turn-over reduced productions to develop such agreements. They brought employers and labor together to work out agreements whereby the employers would cease and desist, if you will, stealing of each other's workers, and labor would endeavor to cut down turn-over and absenteeism.

Those agreements spread. They sprang up in more and more places. The War Manpower Commission, which came into existence in April 1942, essentially was a coordinating agency that was designed to coordinate the activities of and bring the Army, and the Navy and all of the civilian agencies that were concerned with the mobilization of labor, and the workers -- was designed to coordinate their activities. The War Manpower Commission was given authority by executive order to establish such agreements in communities where they did not exist. Consequently they set about to establish them.

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In the meantime similar agreements were established for certain industries such as the logging and the nonferrous mining industries in the Northwest. They were having a devil of a time keeping workers in the mines and keeping sufficient workers to get the lumber out of the woods. Jobs in back industries were unattractive, they were away from the movies; and living conditions were bad. The workers could get higher wages and live in the city; and, that they preferred.

As a consequence an agreement was worked out among all the producers in the lumber industry. It provided that they would not pirate workers from one another; that they would pay better wages and thus induce the workers to stay, and that the Government would instruct all war contractors not to hire workers who left the logging industry or the mines in these areas. Essentially the Government agreed with these employers to freeze their workers in their jobs. Labor did not like that, and I cannot blame them. Yet something had to be done to keep workers in that industry.

In the latter part of 1943, Executive Order 9279 was issued. It authorized the Chairman of the War Manpower Commission to forbid the employment by any employer of any new employee except in accordance with regulations which he might issue. The employer was forbidden to employ any worker who did not come in with a "statement of availability". That "statement of availability" was issued by the United States Employment Office in each community.

The United States Employment Service office would issue "statements" only to the workers who were going from civilian pursuits, that is, less essential pursuits, into critical war jobs. It would issue statements to workers whose only reason for moving was a higher wage. When this mechanism, the "statement of availability" became effective the Government assumed substantial control over the mobilization of civilian manpower.

Governmental officials have bragged a good deal about the accomplishments we attained in the mobilization of civilian manpower without the enactment of national service legislation. The only governmental power ever used was this executive order. This authority was founded on the prospect that the War Labor Board would refuse to permit the deduction of wages for federal income tax purposes when such wages were paid to a person who was hired without a statement of availability. There was always the threat, too, that the War Production Board would deny essentially needed materials to employers who did not obey these manpower controls. This power was used seldom; the classic example involved the refusal of mining machinery and materials to the gold mines.

In spite of the fact that gold is valuable, it was not essential to the fighting of a war. Miners were badly needed in the copper mines. As a consequence the theory was developed that we ought to close the gold mines and transfer miners from the gold mines to the copper mines. We did not need additional gold. We did need copper badly; to get copper we had to find more copper miners. Yet there was much stress and strain over the actual denial of materials to the gold mine operators by the War Production Board. The W.P.B. had legislative authority to deprive

employers of materials if they refused to give up workers. But this was a rigorous use of the power vigorously objected to by some executives of W.P.B. and some members of Congress. Eventually the W.P.B. did close the gold mines. But then it was found that actually the gold mining industry had very few miners. And I would bet a dollar to a plugged nickel that we did not get any substantial portion of those miners to the copper mines. Some would not move away, even from such desolate little communities, as Cripple Creek, Colorado. They wanted to live there on their little farms. If they had to move, then they would strike out to get the best possible job they could find. It was not always a miner's job.

This succession of government controls evolved from the small, informal agreements that employers created themselves in the communities where labor first became scarce. They were developed gradually, and largely with the consent of those affected until in the latter part of 1944 the War Manpower Commission required employers to (1) work a minimum of 48 hours a week; (2) hire workers only when they had a statement of availability issued by the Employment Service; and (3) hire workers only through the United States Employment Service.

It used those controls to bring about, not the additional recruitment of more workers, but to stabilize employment, to cut down the movement of workers from one plant to another. By early 1944 we had gotten about as many workers into the labor force as we could; then the problem was of providing stabilization.

A look back--When one looks back over this wartime experience in mobilizing manpower one sees an instance where a vast job was undertaken with a minimum of governmental control over the individuals. Government did circumscribe the individual workers freedom of choice of jobs to some extent. It did circumscribe the freedom of employers to choose their workers to some extent. But most of this was done with the consent of the individual or at least his representative, that is the representatives of employers as a group and the representatives of workers.

In each community there was a small committee where the employer's representatives, the representatives of labor, and the representatives of the Government--usually the local Manpower Office manager and the local Selective Service manager--sat around the table and formulated the controls that government would use there. Essentially they would say, "This plant is of first importance. They have to have workers. We will take some workers from this plant and put them over there". The representatives of labor might say, "Yes, we will agree if you are willing to pay higher wage rates". The employers might reply, "We will gladly pay the wages if you will aid us in cutting down absenteeism and turnover". It was done democratically, within that framework. There was a hierarchy of these labor-management committees--in each local community, in each state, in each region, and here in Washington, where they had a National Labor-Management Committee. This framework of committees was really the machinery by which this country successfully mobilized the manpower it needed for waging the war and did it democratically.

Thank you.

GENERAL ARMSTRONG:

Dr. Corson, do you think that a national service law ought to be adopted if we ever get into another emergency.

DR. CORSON:

General Armstrong, I wrote a book, as you told the class, and I said in that book that we should have a national service act--to be consistent I must reply "yes".

But I would qualify what I wrote, as every man who writes a book would like to do after he has written it. Today I would write that with a national service act we would have recruited manpower for World War II more quickly. We would have gotten it into the places where it was needed more directly, with less stress and strain and less waste of time and of money. But we would not have done the job as democratically.

My second qualification is that I suspect that the people of this country, having gone through this war, having refused persistently through this war to enact such legislation, will not likely do it in the next emergency. I doubt whether the American people will accept the controls that are involved in national service legislation.

GENERAL ARMSTRONG:

But I think it is obvious that a greater control of distribution is going to be absolutely essential. Do you not think some educational program in the future might help that out?

DR. CORSON:

I think it would. I would heartily agree that we must think in terms of the way that wars will be waged in the future. We may not have time to mobilize manpower as leisurely as we did this time.

GENERAL ARMSTRONG:

That is definitely so.

DR. CORSON:

If we do not have the time, then national service legislation will make possible much more expeditious mobilization.

A STUDENT:

I think if we set up our public school system properly and taught the students as they go through school some of the trades, we could do a whole lot to speed up production in the next war.

DR. CORSON:

I would agree with your conclusion so far as it applies to the mobilization of manpower for war. But our public school system is designed to equip its people to live in peace. In peace manpower is needed in vastly different places from in war. Salesmen are needed, for example, in peace; there is little need for them in war. That illustration could be multiplied many fold. I too would like to see the public schools do a better job of vocational education. But the vocations for which they are trained in peacetimes are not always the ones that are most needed in wartimes.

A STUDENT:

Dr. Corson, is there not a considerable trend in our school system toward training for special trades, like automobile mechanics? Isn't that trend spreading?

DR. CORSON:

I cannot pose as an expert on education. I do not really know; I have the same impression you have.

A STUDENT:

I believe one way we failed to make full use of our reserves of manpower during this war--you brought this out pretty well in your talk--was in our poor utilization of manpower. I think there were probably reserves of manpower available in that category greater than all the manpower we lost in the turnover and the absenteeism. I believe that throughout the country that was one of the jobs we did least well. What I would like to ask is, Why was that? What is the possible solution for utilizing that unutilized manpower?

DR. CORSON:

I am not enough of an industrial engineer to know. But I suspect that we have not developed techniques to insure the maximum utilization of labor. We know more about the maximum utilization of machinery than men.

A second point, we work within a framework in which the employer has a great deal of freedom in the conduct of his own operations. The average employer did not relish having somebody come and tell him how to do his job. That is human nature. It took a great deal of tact to get done what little was done.

A third point, for two decades or more we had had a surplus of manpower. Employers had never had to think in terms of utilizing a few workers when there were no more. Having had two decades of that experience, it took quite a while to change that psychology. We can afford to do a great deal of studying between now and the next emergency, as to how to get maximum utilization of each worker.

A STUDENT:

Did you get a lot of squawks from the labor unions about the increased amount of work that they were asked to do?

DRY CORSON:

There were relatively few squawks. Of course there were objections, more objections in some fields than in others. There were unreasonable practices on the part of some unions--high initiation fees, a reluctance to issue temporary work certificates to non-members and some other practices. The officials of labor unions were shortsighted at times even as employers and others were.

The present housing program illustrates this same shortsightedness. Recently I talked with a group of business agents of unions in Washington. I asked them what they were doing to build up an additional labor supply in the building industry. We are going to build a lot of buildings and will need more carpenters, bricklayers, masons and so forth. In those trades where skill is important it is hard to expand the labor supply. The bricklayers told me they would add twenty-two apprentices. I asked "Is that enough to do the job they will have to do?" They said, "I think it will be". Subsequently the business agent for the bricklayers revealed what was on his mind. He had gone through the thirties. Then he had men in his union looking to him for jobs. He could not find jobs for those people. It was his job to find jobs for them. If he did not succeed in finding them quickly, it was his neck.

He looks now to the future. He does not want to expand his union to the point where he is not going to have places for all of them. Similarly, during the war many unions did not want to expand beyond the point of probable employment when the war was over. That was shortsighted, we see now. But many business men, too, were loath to expand their facilities to the point where they could not maintain them in peacetime.

In the housing program today, and we did in the war programs back in 1941 and 1942, give employers some protections against overexpansion. We offer employers participating in the housing program premium payments to cover much of the cost of plant expansion. We allowed amortization in his income taxes of the investment he made to expand his plant to produce war facilities. But we have not invented similar devices to enable the labor union business agent to amortize his expanded union. That is his practical problem.

But, to reply more directly to your question: Yes, there were some squawks; but, as we look back over the period, there were relatively few.

A STUDENT:

It has been generally recognized that we did not utilize our labor too well. You said that productivity was increased about 50 percent. That is not the figure that I have seen. I was wondering what source you used to reach that figure.

DR. CORSON:

My figures apply especially to the war industries, such as the aircraft and shipbuilding industries. In those we got a substantial increase in production. I cannot cite for either the precise figures at the moment. But there was a substantial increase in productivity per worker, between 1939 and the peak of war production.

A STUDENT:

What do you mean? Productivity in value of the work produced?

DR. CORSON:

No. Units produced.

A STUDENT:

Taking a cross section of them, did not the workers require anywhere from two to three times as much time to produce a unit in wartime as they did in peacetime?

DR. CORSON:

I think you can lump together a lot of industries and get that sort of result. But if you take the war industries that we are really concerned with, I think you will get a different result.

A STUDENT:

I have one more question. Do you believe that if the labor unions would cut out their restriction or limitation on production and permit craft lines to be crossed in assembling equipment, permit labor-saving devices to be used on the job, and permit the work to be done by somewhat skilled workers and laborers instead of requiring it to be done by the craft, do you not think that production and construction could be increased tremendously even with the present force that we have in the labor field?

DR. CORSON:

That is something like the question "Have you stopped beating your wife?"

A STUDENT:

No, sir. That is a serious question.

DR. CORSON:

My answer is Yes. I do think that production could have been increased.

But, again, I would not overstate the significance of those restrictions. I think you will learn, if you go back and review the experience, that labor unions were a bit more flexible than your question implies. There were adjustments made.

I do not belong to a union and I am in no position to defend any of them. I have no reason to want to defend them. But the problem deserves thought rather than emotion.

Consider the question: Why do unions set up the type of restrictions to which you refer?

In New York recently a contract was made between employers and, a union of electrical workers. The union gave up a lot of these so-called restrictions on production--in return for what? In return for guaranteed employment over the year, for vacations and pension rights. Of what significance is that? It has this significance: It explains to some extent where these restrictions come from. They come from the fact that there is a limited opportunity to work in certain industries, particularly those in which men work only a part of the year, or those in which a man is knocked out before he is really old. In those industries restrictions are built up in order to conserve the work for a relatively few people.

What do other people do about like problems? Take professional certified public accountants. In most states a man, to become a certified public accountant, must pass an examination given by a board of certified public accountants. In Virginia this board is appointed by the governor; he always appoints three certified public accountants. Their primary concern was, "Well, we do not need very many in this field. We have enough".

What is the difference? The union sets up its restrictions. The certified public accountants set up theirs. The doctors increase their requirements for admission to medical schools.

There is much to be learned from this experience of the electrical workers contract in New York. If you meet the basic problems of continuing employment, the worker does not need to set up restrictions to keep others from sharing the work he has at the moment.

A STUDENT:

My question was merely this: If they removed all these restrictions, would they be able to get more production with the present force?

DR. CORSON:

My answer is, Yes.

GENERAL ARMSTRONG:

Doctor Corson, the reluctance of this class to let you go is a very well-deserved compliment to a most illuminating talk that you have given us this morning. I want to thank you for it on behalf of the faculty and students of the Industrial College.

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